

STATE OF MONTANA TERM CONTRACT

Department of Administration
State Procurement Bureau
165 Mitchell Building
PO Box 200135
Helena, MT 59620-0135
Phone: (406) 444-2575 Fax: (406) 444-2529
TTY Users-Dial 711
<http://www.discoveringmontana.com/doa/gsd>

T.C. #: SPB03-703D
Title: OIL & GREASE
This is an exclusive contract.

CONTRACT TERM	FROM	JULY 1, 2004	CONTRACT STATUS	NEW ()
	TO	JUNE 30, 2005		RENEW (XX) 1st Renewal, 2nd Year
VENDOR ADDRESS	A & I DISTRIBUTORS 900 1 ST AVE NORTH BILLINGS, MT 59101		ORDER ADDRESS	SAME
ATTN:	GERALD STEVENSON		ATTN:	
PHONE:	406-245-6443		PHONE:	
FAX:	406-256-1113		FAX:	

Prices: PER CONTRACT

Delivery: PER CONTRACT

F.O.B.: PER CONTRACT

Terms: PER CONTRACT

Remarks: This contract applies to all districts (statewide coverage).

IFB/RFP No. :

IFB#SPB03-703D

RHONDA R. GRANDY, Contracts Officer

Date:

AUTHORIZED SIGNATURE

Standard Terms and Conditions

By submitting a response to this invitation for bid, request for proposal, limited solicitation, or acceptance of a contract, the vendor agrees to acceptance of the following Standard Terms and Conditions and any other provisions that are specific to this solicitation or contract.

ACCEPTANCE/REJECTION OF BIDS, PROPOSALS, OR LIMITED SOLICITATION RESPONSES: The State reserves the right to accept or reject any or all bids, proposals, or limited solicitation responses, wholly or in part, and to make awards in any manner deemed in the best interest of the State. Bids, proposals, and limited solicitation responses will be firm for 30 days, unless stated otherwise in the text of the invitation for bid, request for proposal, or limited solicitation.

ACCESS AND RETENTION OF RECORDS: The contractor agrees to provide the department, Legislative Auditor, or their authorized agents, access to any records necessary to determine contract compliance (Mont. Code Ann. § 18-1-118). The contractor agrees to create and retain records supporting the services rendered or supplies delivered for a period of three years after either the completion date of the contract or the conclusion of any claim, litigation, or exception relating to the contract taken by the State of Montana or third party.

ALTERATION OF SOLICITATION DOCUMENT: In the event of inconsistencies or contradictions between language contained in the State's solicitation document and a vendor's response, the language contained in the State's original solicitation document will prevail. Intentional manipulation and/or alteration of solicitation document language will result in the vendor's disqualification and possible debarment.

ASSIGNMENT, TRANSFER AND SUBCONTRACTING: The contractor shall not assign, transfer or subcontract any portion of the contract without the express written consent of the department. (Mont. Code Ann. § 18-4-141.)

AUTHORITY: The following bid, request for proposal, limited solicitation, or contract is issued under authority of Title 18, Montana Code Annotated, and the Administrative Rules of Montana, Title 2, chapter 5.

COMPLIANCE WITH LAWS: The contractor must, in performance of work under the contract, fully comply with all applicable federal, state, or local laws, rules and regulations, including the Montana Human Rights Act, the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973. Any subletting or subcontracting by the contractor subjects subcontractors to the same provision. In accordance with section 49-3-207, MCA, the contractor agrees that the hiring of persons to perform the contract will be made on the basis of merit and qualifications and there will be no discrimination based upon race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability, or national origin by the persons performing the contract.

CONFORMANCE WITH CONTRACT: No alteration of the terms, conditions, delivery, price, quality, quantities, or specifications of the contract shall be granted without prior written consent of the State Procurement Bureau. Supplies delivered which do not conform to the contract terms, conditions, and specifications may be rejected and returned at the contractor's expense.

DEBARMENT: The contractor certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction (contract) by any governmental department or agency. If the contractor cannot certify this statement, attach a written explanation for review by the State.

DISABILITY ACCOMMODATIONS: The State of Montana does not discriminate on the basis of disability in admission to, access to, or operations of its programs, services, or activities.

Individuals, who need aids, alternative document formats, or services for effective communications or other disability-related accommodations in the programs and services offered, are invited to make their needs and preferences known to this office. Interested parties should provide as much advance notice as possible.

FACSIMILE RESPONSES: Facsimile responses will be accepted for invitations for bids, small purchases or limited solicitations ONLY if they are completely received by the State Procurement Bureau prior to the time set for receipt. Bids, or portions thereof, received after the due time will not be considered. Facsimile responses to requests for proposals are ONLY accepted on an exception basis with prior approval of the procurement officer.

FAILURE TO HONOR BID/PROPOSAL: If a vendor/offeror to whom a contract is awarded refuses to accept the award (PO/contract) or, fails to deliver in accordance with the contract terms and conditions, the department may, in its discretion, suspend the vendor/offeror for a period of time from entering into any contracts with the State of Montana.

HOLD HARMLESS/INDEMNIFICATION: The contractor agrees to protect, defend, and save the State, its elected and appointed officials, agents, and employees, while acting within the scope of their duties as such, harmless from and against all claims, demands, causes of action of any kind or character, including the cost of defense thereof, arising in favor of the contractor's employees or third parties on account of bodily or personal injuries, death, or damage to property arising out of services performed or omissions of services or in any way resulting from the acts or omissions of the contractor and/or its agents, employees, representatives, assigns, subcontractors, except the sole negligence of the State, under this agreement.

LATE BIDS AND PROPOSALS: Regardless of cause, late bids and proposals will not be accepted and will automatically be disqualified from further consideration. It shall be solely the vendor's risk to assure delivery at the designated office by the designated time. Late bids and proposals will not be opened and may be returned to the vendor at the expense of the vendor or destroyed if requested.

PAYMENT TERM: All payment terms will be computed from the date of delivery of supplies or services OR receipt of a properly executed invoice, whichever is later. Unless otherwise noted in the solicitation document, the State is allowed 30 days to pay such invoices. All contractors may be required to provide banking information at the time of contract execution in order to facilitate State electronic funds transfer payments.

RECIPROCAL PREFERENCE: The State of Montana applies a reciprocal preference against a vendor submitting a bid from a state or country that grants a residency preference to its resident businesses. A reciprocal preference is only applied to an invitation for bid for supplies or an invitation for bid for nonconstruction services for public works as defined in section 18-2-401(9), MCA, and then only if federal funds are not involved. For a list of states that grant resident preference, see <http://www.discoveringmontana.com/doa/gsd/css/Resources/ReciprocalPreference.asp>.

REFERENCE TO CONTRACT: The contract or purchase order number MUST appear on all invoices, packing lists, packages and correspondence pertaining to the contract.

REGISTRATION WITH THE SECRETARY OF STATE: Any business intending to transact business in Montana must register with the Secretary of State. Businesses that are incorporated in another state or country, but which are conducting activity in Montana, must determine whether they are transacting business in Montana in accordance with sections 35-1-1026 and 35-8-1001, MCA. Such businesses may want to obtain the guidance of their attorney or accountant to determine whether their activity is considered transacting business.

If businesses determine that they are transacting business in Montana, they must register with the Secretary of State and obtain a certificate of authority to demonstrate that they are in good standing in Montana. To obtain registration materials, call the Office of the Secretary of State at (406) 444-3665, or visit their website at <http://www.sos.state.mt.us>.

SEPARABILITY CLAUSE: A declaration by any court, or any other binding legal source, that any provision of the contract is illegal and void shall not affect the legality and enforceability of any other provision of the contract, unless the provisions are mutually dependent.

SHIPPING: Supplies shall be shipped prepaid, F.O.B. Destination, unless the contract specifies otherwise.

SOLICITATION DOCUMENT EXAMINATION: Vendors shall promptly notify the State of any ambiguity, inconsistency, or error, which they may discover upon examination of a solicitation document.

TAX EXEMPTION: The State of Montana is exempt from Federal Excise Taxes (#81-0302402).

TECHNOLOGY ACCESS FOR BLIND OR VISUALLY IMPAIRED: Contractor acknowledges that no state funds may be expended for the purchase of information technology equipment and software for use by employees, program participants, or members of the public unless it provides blind or visually impaired individuals with access, including interactive use of the equipment and services, that is equivalent to that provided to individuals who are not blind or visually impaired. (Mont. Code Ann. § 18-5-603.) Contact the State Procurement Bureau at (406) 444-2575 for more information concerning nonvisual access standards.

TERMINATION OF CONTRACT: Unless otherwise stated, the State may, by written notice to the contractor, terminate the contract in whole or in part at any time the contractor fails to perform the contract.

UNAVAILABILITY OF FUNDING: The contracting agency, at its sole discretion, may terminate or reduce the scope of the contract if available funding is reduced for any reason. (Mont. Code Ann. § 18-4-313 (3).)

U.S. FUNDS: All prices and payments must be in U.S. dollars.

VENUE: This solicitation is governed by the laws of Montana. The parties agree that any litigation concerning this bid, request for proposal, limited solicitation, or subsequent contract, must be brought in the First Judicial District in and for the County of Lewis and Clark, State of Montana, and each party shall pay its own costs and attorney fees. (Mont. Code Ann. § 18-1-401.)

WARRANTIES: The contractor warrants that items offered will conform to the specifications requested, to be fit and sufficient for the purpose manufactured, of good material and workmanship and free from defect. Items offered must be new and unused and of the latest model or manufacture, unless otherwise specified by the State. They shall be equal in quality and performance to those indicated herein. Descriptions used herein are specified solely for the purpose of indicating standards of quality, performance and/or use desired. Exceptions will be rejected.

SCOPE

This Term Contract is to establish an annual contract to supply State of Montana agencies, universities, facilities and institutions with the oil and grease products listed for one year. Prices quoted will be firm for the entire contract period.

CONTRACT TERM

This contract will run from July 1, 2004 through June 30, 2005.

CONTRACT RENEWAL

This contract may, upon mutual agreement between the parties and according to the terms of the existing contract, be extended in one-year intervals for a period not to exceed two additional years. This is the first renewal, second year of the contract.

TERMINATION OF CONTRACT

Unless otherwise stated, the State may, by written notice to the contractor, terminate this contract in whole or in part at any time the contractor fails to perform this contract.

EXCLUSIVE CONTRACT

The intent of this contract is to provide state agencies with an expedited means of procuring supplies and/or services. This contract is considered to be an "Exclusive" use contract and State agencies must obtain the specified product/service from the contract holder(s), unless the contract allows otherwise. However, the State Procurement Bureau does not guarantee any minimum usage totals and it is the individual agency's responsibility to comply with the terms of the contract.

TERM CONTRACT REPORTING

Term contract holder(s) shall furnish annual reports of term contract usage. Each report shall contain the product description, total quantity sold of each item, total dollars expended, and the name of the agency purchasing the item. The first report for this term contract will be due May 15, 2004.

Reported volumes and dollar totals may be checked by the State Procurement Bureau against State records for verification. Failure to provide timely or accurate reports is justification for cancellation of the contract and/or justification for removal from consideration for award of contracts by the State.

COOPERATIVE PURCHASING

Under Montana law, public procurement units, as defined in section 18-4-401, MCA, have the option of cooperatively purchasing with the State of Montana. Public procurement units are defined as local or state public procurement units of this or any other state, including an agency of the United States, or a tribal procurement unit. Unless the vendor/offeror objects, in writing, to the State Procurement Bureau prior to the award of this contract, the prices, terms, and conditions of this contract will be offered to these public procurement units.

PROCUREMENT CARD

The State of Montana has implemented a Procurement Card (GE MasterCard) Program to enable agencies the ability to charge purchases made from these contracts. State agencies will prefer this method of payment.

DESCRIPTIVE LITERATURE

Complete manufacturer's descriptive literature sufficient in detail to establish quality and compliance with all specifications must be submitted with each bid. The State reserves the right to examine products further to determine compliance with the stated specifications.

MSDS SHEETS

Material Safety Data Sheets (MSDS) must also be furnished upon request and are to accompany each shipment of product from the successful vendor.

RETURNABLE DRUM REQUIREMENTS

Indicate below the amount of deposit for returnable containers:

15 Gallon Metal Drum \$20.00 30 Gallon Metal Drum \$20.00 55 Gallon Metal Drum \$20.00

No deposit charges will be allowed on drums of grease products.

All charges for container deposits shall be included on the same invoice as the corresponding product.

Returnable containers must be picked up and **full credit** given to the agency within 30 days of notification.

Vendors must pick up empty containers and issue either a credit memorandum in triplicate or actual refund, as requested by the agency, for all acceptable drums, for a period of up to one year after termination of contract. Failure to comply may result in vendor suspension and preclude the vendor from bidding on future contracts.

The State reserves the right to reject or refuse delivery on drums that are bent, dented, rusted, have split or bent chimes, or other damages that will render the drums unable to be reconditioned. Drums will be inspected at the time of delivery for damages and as allowed by the Uniform Commercial Code.

Deposits will not be refunded for drums containing anything but a small amount of the original lubricating oil. In no event shall there be more than one inch of residue left in the drum. In order to qualify for the deposit refund, drums must be free of excessive rust with a minimum of denting, no split or bent chimes, and fully intact flanges.

OIL & GREASE

In the event drums are not reconditionable and must be disposed of, the State may elect to pay the vendor a disposal fee of up to \$15.00, provided the drums do not contain hazardous materials, and the damage to the drums were not a result of actions by the vendor.

DELIVERY REQUIREMENTS

The following locations are important delivery points for State agencies. Indicated in the spaces below are the maximum delivery time in working days that will be required for delivery to each point. The maximum allowable delivery time for any item to any location is 10 working days.

Billings	<u>1</u>	Great Falls	<u>7</u>	Livingston	<u>7</u>
Bozeman	<u>7</u>	Havre	<u>10</u>	Miles City	<u>7</u>
Butte	<u>7</u>	Helena	<u>7</u>	Missoula	<u>1</u>
Glendive	<u>10</u>	Kalispell	<u>7</u>		
Wolf Point	<u>10</u>	Lewistown	<u>7</u>		

Repeated occurrences of late delivery or failure to deliver as bid will result in cancellation of contract and possible suspension from consideration on future bids. The State reserves the right to refuse late deliveries and to procure merchandise from other sources.

State agencies placing orders for products will contact the successful vendor to arrange shipments as required.

PRODUCT QUALITY AND BID QUANTITIES

All oil and grease must be new and unused and meet or exceed the listed specifications and be approved for use in all new vehicles by the United States Automotive Manufacturers under the vehicles' existing warranties.

FREIGHT REQUIREMENTS/MINIMUM ORDERING REQUIREMENTS

The minimum dollar amount for orders is \$200.00. Agencies are not required to utilize this contract for individual orders under \$200.00. All orders over \$200.00 will be shipped freight prepaid, F.O.B. location.

LABELING REQUIREMENTS

All containers, cases and drums must be labeled with refinery approved company labels, in accordance with all O.S.H.A. labeling requirements. Shipments containing improperly labeled merchandise will be rejected and returned to the supplier at no charge to the State. Repeated occurrences of improperly labeled merchandise may result in cancellation of contract.

SAMPLES

Upon request, the vendor will be required to submit within five working days one quart (or equivalent size) samples of each oil awarded, to the Department of Transportation Testing Laboratory, 2701 Prospect Avenue, Helena MT 59620-1001 for testing and evaluation purposes. Material safety data sheets and product specification sheets are to accompany the samples. Samples must be clearly identified, indicating item, brand and specific product. Do not furnish samples until requested to do so.

THIS QUOTE APPLIES TO ALL TWELVE (12) DISTRICTS

QUOTE SECTION - PRICES ARE EXCLUSIVE OF ALL TAXES

- A.** Automobile motor oil in Multi-Viscosity 5W30, must meet or exceed API service classification SL/EC and certified for ILSAC G-F3.

BRAND: CITGO

1.0 12-1 Quart containers/case

Cost per Case: \$12.24

2.0 55 Gallon Drum

Cost per Drum: \$174.35

- B.** Automotive motor oil in Multi-Viscosity 10W40, must meet or exceed API service classification SL.

BRAND: CITGO

3.0 12-1 Quart containers/case

Cost per Case: \$8.28

OIL & GREASE

- C.** Automobile motor oil in Multi-Viscosity 10W30, must meet or exceed API service classification SL/EG and certified for ILSAC GF-3.

BRAND: CITGO

4.0 12-1 Quart containers/case

Cost per Case: \$9.99

5.0 55 Gallon Drum

Cost per Drum: \$154.55

- D.** Universal motor oil for mixed fleets using gasoline and diesel engines, 15W40 viscosity, must meet or exceed API service classification CI-4, CH-4, CG-4, CF, SL, SJ, EO-M Plus, EO-N Premium Plus, TBN (total Base number) 12, Cummins 20071, 20076, 20078.

BRAND: CITGO (Citgard 600) 15W40

6.0 12-1 Quart containers/case

Cost per Case: \$9.25

7.0 4-1 Gallon containers/case

Cost per Case: \$14.00

8.0 5 Gallon Bucket

Cost per Bucket: \$20.00

9.0 55 Gallon Drum:

Cost per Drum: \$151.35

- E.** Universal fleet motor oil, straight (10, 20, 30, 40, 50) grade for gasoline and diesel engines, must meet or exceed API service classification CF/SL and (10,30) must meet or exceed Allison C-4.

BRAND: CITGO

10.0 12-1 Quart containers/case

Cost per Case: \$8.99

OIL & GREASE

11.0 5 Gallon Bucket

Cost per Bucket: \$20.00

12.0 55 Gallon Drum

Cost per Drum: \$134.20

- F.** Multi-purpose lithium-base grease, NLGI #2, containing oxidation-corrosion inhibitors, lead-free extreme pressure agent, water resistant, high temperature characteristics, good pumpability, min. 40 lb. Timken OK Load Test. To be approved for a wide variety of applications, including wheel bearings, chassis, universal joints, splines, and water pumps.

BRAND: CITGO

13.0 14 oz. cartridges, 10/case

Cost per Case: \$8.90

14.0 35 Pound Drum

Cost per Drum \$18.00

15.0 120 Pound Drum

Cost per Drum: \$75.00

- G.** Multi-purpose gear lubricant, non-corrosive, sulfur/phosphorus, SAE grades 80W90 with limited slip additive and 85W140, must meet or exceed API service classification GL-5, MT-1, Mil-L2105D and Mil-PRF-2105E.

BRAND: CITGO (80W90 LS & 85W 140 MP)

16.0 35 Pound Drum

Cost per Drum: \$18.00

17.0 120 Pound Drum

Cost per Drum: \$65.00

18.0 400 Pound Drum

Cost per Drum: \$200.00

OIL & GREASE

H. Dexron III/Mercon automatic transmission fluid.

BRAND: CITGO

19.0 12-1 Quart containers/case

Cost per Case: \$9.99

20.0 55 Gallon Drum

Cost per Drum: \$140.80

I. Automatic Transmission Fluid specially formulated for Chrysler automatic transmissions to maintain the original shift quality of the Chrysler automatic transmission, Chrysler specification MS-7176E

Reference: Havoline Automotive Transmission Fluid ATF+3, Chevron ATF+3, Citgo Transgard ATF+3.

BRAND: CITGO

21.0 12-1 Quart containers/case

Cost per Case: \$9.99

22.0 55 Gallon Drum

Cost per Drum: \$200.00

J. Universal tractor hydraulic oil, as specified by AC, John Deere J20A/J20C/J14B&C/Type 303/Hygard, Case, IH, Ford, White, MF, Caterpillar TO-2, Detroit Diesel Allison C-3, C-4. -40° F pour point. For use as a transmission, differential, final drive, wet brake, hydraulic and hydrostatic systems fluid.

BRAND: CITGO

23.0 5 Gallon Bucket

Cost per Bucket: \$20.00

24.0 55 Gallon Drum

Cost per Drum: \$147.50

OIL & GREASE

- K.** Anti-Wear (A/W) Hydraulic oil, inhibited against wear, rust, corrosion, sludge and foaming tendencies, excellent water separation, must pass ASTM Rust Test D665 A&B and min. 2000 hours ASTM D943 Oxidation Test. Standard grades ISO 22, 32, 46, 68.

BRAND: CITGO

25.0 55 Gallon Drum

Cost per Drum: \$98.00

- L.** Hydraulic oil, non-synthetic, all temp, offering superior performance as an all-season, shear stable hydraulic product. Oil must be inhibited against wear, rust corrosion, sludge and foaming tendencies, excellent water separation. Must have a pour point of -40° F. Must pass ASTM Rust Test D665 A&B and min. 2500 hours ASTM d943 Oxidation Test.

BRAND: CITGO

26.0 55 Gallon drum

Cost Per Drum \$252.45